

# Administrative Procedures – Economic Impact Statement

## Instructions:

In completing the economic impact statement, an agency analyzes and evaluates the anticipated costs and benefits to be expected from adoption of the rule. This form must be completed for the following filings made during the rulemaking process:

- Proposed Rule Filing
- Final Proposed Filing
- Adopted Rule Filing
- Emergency Rule Filing

Rules affecting or regulating public education and public schools must include cost implications to local school districts and taxpayers in the impact statement (see 3 V.S.A. § 832b for details).

The economic impact statement also contains a section relating to the impact of the rule on greenhouse gases. Agencies are required to explain how the rule has been crafted to reduce the extent to which greenhouse gases are emitted (see 3 V.S.A. § 838(c)(4) for details).

All forms requiring a signature shall be original signatures of the appropriate adopting authority or authorized person.

**Certification Statement:** As the adopting Authority of this rule (see 3 V.S.A. § 801 (b) (11) for a definition), I conclude that this rule is the most appropriate method of achieving the regulatory purpose. In support of this conclusion I have attached all findings required by 3 V.S.A. §§ 832a, 832b, and 838(c) for the filing of the rule entitled:

**Rule Title: Vermont Appliance Efficiency and Water Conservation Standards**

 \_\_\_\_\_, on July 25, 2017 .  
(signature) (date)

Printed Name and Title:

June E. Tierney

Commissioner

Vermont Department of Public Service

*BE AS SPECIFIC AS POSSIBLE IN THE COMPLETION OF THIS FORM, GIVING FULL INFORMATION ON YOUR ASSUMPTIONS, DATABASES, AND ATTEMPTS TO GATHER OTHER INFORMATION ON THE NATURE OF THE COSTS AND BENEFITS INVOLVED. COSTS AND BENEFITS CAN INCLUDE ANY TANGIBLE OR INTANGIBLE ENTITIES OR FORCES WHICH WILL MAKE AN IMPACT ON LIFE WITHOUT THIS RULE.*

1. TITLE OF RULE FILING:

Vermont Appliance Efficiency and Water Conservation Standards

2. ADOPTING AGENCY:

Vermont Department of Public Service

3. CATEGORY OF AFFECTED PARTIES:

*LIST CATEGORIES OF PEOPLE, ENTERPRISES, AND GOVERNMENTAL ENTITIES POTENTIALLY AFFECTED BY THE ADOPTION OF THIS RULE AND THE ESTIMATED COSTS AND BENEFITS ANTICIPATED:*

Theoretically, all designers and manufacturers of appliances (which includes screw based lighting), as well as all consumers of such products are affected by existing federal appliance efficiency and water conservation standards that have been in effect for over twenty five years. Should the federal regulations be repealed or voided, this state rule would ensure that those standards remain in place in Vermont. The benefits of those standards include fulfilling the goals articulated in 9. V.S.A. § 2792, which among other things, enable Vermonters to save money on utility bills, save energy and thus reduce pollution and associated environmental impacts, increase reliability of the electric grid and contribute positively in numerous ways to the Vermont economy. Adoption of this rule is not anticipated to have any impact on costs, either to the manufacturing sector or to consumers, because the expenses associated with compliance with this rule are already part of current manufacturing costs, which in turn are reflected in the market prices paid by consumers. Absent this rule, were the federal regulations to be repealed, it is possible that lower priced products not meeting the efficiency and water conservation standards could appear in the marketplace. However,

any potential reduction in consumer costs for such products would likely be outweighed by an increase in the amount of electricity used and the negative health and safety impacts of concomitant increases in greenhouse gases. Consequently, the rule is cost neutral.

#### 4. IMPACT ON SCHOOLS:

*INDICATE ANY IMPACT THAT THE RULE WILL HAVE ON PUBLIC EDUCATION, PUBLIC SCHOOLS, LOCAL SCHOOL DISTRICTS AND/OR TAXPAYERS:*

There will be no material impact on schools or the other listed entities.

#### 5. COMPARISON:

*COMPARE THE ECONOMIC IMPACT OF THE RULE WITH THE ECONOMIC IMPACT OF OTHER ALTERNATIVES TO THE RULE, INCLUDING NO RULE ON THE SUBJECT OR A RULE HAVING SEPARATE REQUIREMENTS FOR SMALL BUSINESS:*

Should the federal regulations be repealed or voided, this rule would ensure that those standards remain in place as a matter of state law. The benefits of those standards include fulfilling the goals articulated in 9. V.S.A. § 2792, such as include enabling Vermonters to save money on utility bills, saving energy and thus reducing pollution and associated environmental impacts, increasing reliability of the electric grid and contributing positively in numerous ways to the Vermont economy. Adoption of this rule is not anticipated to have any impact on costs, either to the manufacturing sector or to consumers, because the expenses associated with compliance with this rule are already part of current manufacturing costs, which in turn are reflected in the market prices paid by consumers. Absent the adoption of this rule, were the federal regulations to be repealed, it is possible that products not meeting the efficiency and water conservation standards could appear in the marketplace. However, any potential reduction in consumer cost benefit for such products would likely be outweighed by an increase in the amount of electricity used and the negative health and safety impacts of concomitant increases in greenhouse gases. Creating and imposing separate requirements for small

businesses is unlikely to have any measurable economic impact. Compliance with the rule falls predominantly upon appliance manufacturers, which tend not to be small businesses. In addition, all products that would be subject to this rule are already subject to the proposed standards under the existing federal regulation. Therefore the products that would be subject to the proposed rule are currently designed and tested to be compliant with the standards of the proposed Vermont rule, thus no new costs would be associated with the new rule, and thus an alternative compliance scheme for small businesses could not reasonably be anticipated to reduce the already negligible economic impact.

6. FLEXIBILITY STATEMENT:

*COMPARE THE BURDEN IMPOSED ON SMALL BUSINESS BY COMPLIANCE WITH THE RULE TO THE BURDEN WHICH WOULD BE IMPOSED BY ALTERNATIVES CONSIDERED IN 3 V.S.A. § 832a:*

Not applicable.

7. GREENHOUSE GAS IMPACT: *EXPLAIN HOW THE RULE WAS CRAFTED TO REDUCE THE EXTENT TO WHICH GREENHOUSE GASES ARE EMITTED, EITHER DIRECTLY OR INDIRECTLY, FROM THE FOLLOWING SECTORS OF ACTIVITIES:*

A. TRANSPORTATION —

*IMPACTS BASED ON THE TRANSPORTATION OF PEOPLE OR PRODUCTS (e.g., “THE RULE HAS PROVISIONS FOR CONFERENCE CALLS INSTEAD OF TRAVEL TO MEETINGS” OR “LOCAL PRODUCTS ARE PREFERENTIALLY PURCHASED TO REDUCE SHIPPING DISTANCE.”):*

No known impact.

B. LAND USE AND DEVELOPMENT —

*IMPACTS BASED ON LAND USE AND DEVELOPMENT, FORESTRY, AGRICULTURE ETC. (e.g., “THE RULE WILL RESULT IN ENHANCED, HIGHER DENSITY DOWNTOWN DEVELOPMENT.” OR “THE RULE MAINTAINS OPEN SPACE, FORESTED LAND AND /OR AGRICULTURAL LAND.”):*

No known impact.

C. BUILDING INFRASTRUCTURE —

*IMPACTS BASED ON THE HEATING, COOLING AND ELECTRICITY CONSUMPTION NEEDS (e.g., “THE RULE PROMOTES WEATHERIZATION TO REDUCE BUILDING HEATING AND COOLING DEMANDS.” OR “THE PURCHASE AND USE OF EFFICIENT ENERGY STAR APPLIANCES IS REQUIRED TO REDUCE ELECTRICITY*

*CONSUMPTION.*”):

The maintenance of existing federal appliance efficiency and water conservation standards through this Vermont rule in the event of a repeal at the federal level would prevent potential increases in electricity consumption which in turn will save consumers money and is also likely to reduce potential greenhouse gas impacts from the use of fossil fuels in electricity production.

**D. WASTE GENERATION / REDUCTION —**

*IMPACTS BASED ON THE GENERATION OF WASTE OR THE REDUCTION, REUSE, AND RECYCLING OPPORTUNITIES AVAILABLE (e.g., “THE RULE WILL RESULT IN REUSE OF PACKING MATERIALS.” OR “AS A RESULT OF THE RULE, FOOD AND OTHER ORGANIC WASTE WILL BE COMPOSTED OR DIVERTED TO A ‘METHANE TO ENERGY PROJECT’.”):*

No known impact.

**E. OTHER —**

*IMPACTS BASED ON OTHER CRITERIA NOT PREVIOUSLY LISTED:*

Run Spell Check